

## Message Text

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ACTION COME-00

INFO OCT-01 EA-10 ISO-00 EB-07 /018 W  
----- 046048

R 060838Z MAR 75  
FM AMCONSUL HONG KONG  
TO SECSTATE WASHDC 4062  
INFO AMEMBASSY BANGKOK  
AMEMBASSY KUALA LUMPUR  
AMEMBASSY MANILA  
AMEMBASSY SINGAPORE  
AMEMBASSY TAIPEI

UNCLAS SECTION 1 OF 3 HONG KONG 2375

E.O. 11652: N/A

TAGS: BEXP, HK

SUBJECT: MARKET BRIEF: SUPPLEMENTAL DATA ON HEALTH  
CARE EQUIPMENT AND APPARATUS

REF: STATE A-385

### SUMMARY

SUBJECT EQUIPMENT APPEARS PROMOTABLE IN HONG KONG. IMPORTS IN 1973 WERE ABOUT HK\$32.8 MILLION OF WHICH HK\$9.5 MILLION FROM U.S. DOMESTIC PRODUCTION APPEARS SMALL, CONSISTING OF RELATIVELY SIMPLE INSTRUMENTS AND PRODUCTION OF SOME ELECTRONIC DIAGNOSTIC EQUIPMENT AT ONE GERMAN-OWNED FACTORY. TOTAL PRODUCTION PROBABLY DID NOT EXCEED HK\$1. MILLION IN 1973. MARKET SHOWS STRONG ANNUAL GROWTH TREND AND SEEMS TO HAVE GROWN ABOUT 20PERCENT IN 1974. LOCAL AGENTS FOR MEDICAL APPARATUS FORCAST THAT STEADY 15PERCENT GROWTH TREND WILL CONTINUE FOR AT LEAST NEXT 5 YEARS. PROSPECTS ARE POOR THAT HONG KONG END USERS WOULD ATTEND BANGKOK SHOW. HONG KONG PROMOTION RECOMMENDED FOR FY1977. END SUMMARY

1. MEDICAL AND HEALTH DEPARTMENT HAS AMBITIOUS HOSPITAL AND CLINIC DEVELOPMENT PROGRAM WHICH INCLUDES TWO 1200 BED TEACHING HOSPITALS FOR COMPLETION DURING 1981 AND 1982 AND 5-600 BED SPECIALIST HOSPITAL DUE FOR CONSTRUCTION IN LATE 1970'S. SUN  
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YAT SEN MEMORIAL HOSPITAL, IN SHATIN WITH 500 BEDS, DEVELOPED

BY PRIVATE GROUP, SHOULD ALSO BE UNDER CONSTRUCTION IN NEXT FEW YEARS. OTHER PROJECTS INCLUDE A NEW DENTAL SCHOOL FOR THE UNIVERSITY OF HONG KONG (HKU) AND TWO PARA-PROFESSIONAL DENTAL SCHOOLS. HKU FACILITY SCHEDULED FOR CONSTRUCTION WITH 5-10 YEARS. PARA-PROFESSIONAL FACILITIES, SHOULD GO UP WITHIN 2-3 YEARS.

2. HKG CURRENTLY RUNNING PILOT METHADONE PROGRAM, WITH DECISION TO BE MADE SOON ON WHETHER TO EXPAND INTO PERMANENT PROGRAM. IF PROGRAM IS CONTINUED (AND THIS IS EXPECTED), 20 TO 30 DRUG TREATMENT CENTERS WILL BE ESTABLISHED. ABOUT 30,000 ADDICTS WOULD BE TREATED AND 500 TO 1,000 URINE SAMPLES PER DAY WOULD NEED TO BE SCREENED USING AUTOMATED EQUIPMENT.

3. FOR SOPHISTICATED EQUIPMENT, VERY STRONG SELLING POINT IS AVAILABILITY OF AFTER-SALES SERVICE, EVEN IF SELLING PRICE IS HIGHER. IT APPEARS THAT U.K. FIRMS ARE QUITE UNSATISFACTORY IN THIS RESPECT, HAVE LOW PRODUCT RELIABILITY, AND HAVE DIFFICULTY MEETING DELIVERY SCHEDULES. U.S. SERVICE, WITH EXCEPTIONS, HAS GOOD REPUTATION AS DO JAPANESE AND GERMAN SERVICE.

4. AGENTS/DISTRIBUTORS COMPLAINED ABOUT PROBLEM OF ASSESSING ULTIMATE COST OF IMPORTING A PRODUCT FROM U.S. UNCERTAINTIES ARE COSTS OF DOCUMENTS, PACKAGING AND INLAND FREIGHT IN U.S. AGENTS BELIEVE TERM "F.O.B." IS UNDERSTOOD DIFFERENTLY IN HONG KONG/EUROPE, WHERE THEY SAY, IT MEANS F.O.B. AT PORT OF DEPARTURE, AND U.S., WHERE, THEY SAY, IT CAN MEAN NEARLY ANYTHING.

5. EQUIPMENT WHICH WILL BE NEEDED IN HONG KONG IS:  
A. NEW DIAGNOSTIC ULTRASONIC EQUIPMENT TO REPLACE X-RAYS.  
B. RADIO-IMMUNO-ASSAY (RIA) DIAGNOSTIC EQUIPMENT; THE SWISS FIRM HOFFMAN LA ROCHE IS CURRENTLY DEVELOPING EQUIPMENT OF THIS TYPE.  
C. DIAGNOSTIC EQUIPMENT FOR PULMONARY FUNCTIONS.  
D. KIDNEY MACHINES; 90PERCENT OF THE MARKET IS ALREADY HELD BY COBE LABORATORIES, INC., A U.S. FIRM.  
E. GENERAL HEMATOLOGY DIAGNOSTIC EQUIPMENT; THIS IS EXPECTED TO EXPAND CONSIDERABLY IN HONG KONG AS WELL AS IN OTHER AREAS OF THE FAR EAST.

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ACTION COME-00

INFO OCT-01 EA-10 ISO-00 EB-07 /018 W

----- 046897

R 060838Z MAR 75

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 4063

INFO AMEMBASSY BANGKOK

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

UNCLAS SECTION 2 OF 3 HONG KONG 2375

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F. HIGH-SPEED X-RAY EQUIPMENT.

G. RADIO ISOTOPE (COBALT) EQUIPMENT OR LINEAR ACCELERATOR,  
NEEDED IN AT LEAST ONE HOSPITAL.

H. DENTISTS PROFESSIONAL EQUIPMENT, FURNITURE AND HAND  
PIECES.

I. LASER RETINA TREATMENT EQUIPMENT

J. HEAT SCANNING DIAGNOSTIC EQUIPMENT FOR CANCER.

6. HONG KONG AT PRESENT DOES NOT HAVE FOLLOWING RESEARCH AND  
FORENSIC MEDICINE EQUIPMENT FOR WHICH SOME NEED EXISTS:

A. ELECTRON MICROSCOPE.

B. ELECTRON SPIN RESONANCE SPECTROMETER (ESR).

C. NUCLEAR MAGNETIC RESONANCE SPECTROMETER (NMR).

7. MARKET SHARES OF U.S. AND MAJOR COMPETITORS IN 1973 WERE

S.I.T.C. COUNTRY IMPORTS FROM MARKET SHARE

719190 (APPARATUS FOR TREATING MATERIALS WITH HEAT OR COLD N.E.S.)

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U.S.A. 1879 17.6PERCENT

JAPAN	3917	36.6PERCENT
U.K.	2528	23.6PERCENT
NETHERLANDS	676	6.3PERCENT
TOTAL IMPORTS	10,697	100.0PERCENT
EXPORTS	221	
RE-EXPORTS	734	
NET CONSUMPTION	9,742	

726100 (ELECTRO-MEDICAL APPARATUS)

U.S.A.	1,395	44.7PERCENT
W. GERMANY	530	17.0PERCENT
JAPAN	397	12.7PERCENT
CHINA(PRC)	243	7.8PERCENT
TOTAL IMPORTS	3,121	100.0PERCENT
RE-EXPORTS	SO 181	
NEW CONSUMPTION	2,939	

726200 (X-RAY APPARATUS)

U.S.A.	1,959	39.6PERCENT
JAPAN	1,382	27.9PERCENT
NETHERLANDS	589	11.9PERCENT
U.K.	540	10.9PERCENT
TOTAL IMPORTS	4,946	100.0PERCENT
RE-EXPORTS	57	
NET CONSUMPTION	4,889	

861700 (MEDICAL DENTAL, SURGICAL AND VETERINARY INSTRUMENTS AND APPLIANCES N.E.S.)

U.S.A.	4,280	30.4PERCENT
JAPAN	3,000	21.4PERCENT
U.K.	2,354	16.8PERCENT
W. GERMANY	1,394	9.9PERCENT
TOTAL IMPORTS	14,047	100.0PERCENT
EXPORTS	216	
RE-EXPORTS	2,683	
NET CONSUMPTION	11,148	

ALL ITEMS:

U.S.A.	9,513	29.0PERCENT
JAPAN	8,696	26.5PERCENT

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U.K.	5,731	17.5PERCENT
W. GERMANY	2,313	7.0PERCENT
NETHERLANDS	1,366	4.2PERCENT
TOTAL IMPORTS	32,811	100.0PERCENT
EXPORTS	437	
RE-EXPORTS	3,656	
NET CONSUMPTION	28,718	

8. HKG STATISTICS FOR 1973 SHOW FOLLOWING NUMBERS OF  
MEDICAL PERSONNEL AND FACILITIES IN HONG KONG:

A. PERSONNEL:

(1) MEDICAL DOCTORS	3,596
(2) DENTISTS	496
(3) PHARMACISTS	209
(4) MIDWIVES	862
(5) NURSES	6,570
TOTAL	10,833

B. HOSPITAL BEDS:

(1) GOVERNMENT HOSPITALS	6,503
(2) GOVERNMENT DISPENSARIES	420
(3) GOV'T ASSISTED HOSPITALS	7,868
(4) PRIVATE HOSPITALS	1,849
(5) PRIVATE MATERNITY HOMES	162
(6) PRIVATE NURSING/MATERNITY HOMES	42
TOTAL BEDS:	16,848

C. GOVERNMENT CLINICS:

(1) MATERNAL AND CHILD HEALTH	36
(2) OUTPATIENT	49
(3) DENTAL	32
(4) OPHTHALMIC	3
TOTAL:	120

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ACTION COME-00

INFO OCT-01 EA-10 ISO-00 EB-07 /018 W

----- 047346

R 060838Z MAR 75

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 4064

INFO AMEMBASSY BANGKOK

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

UNCLAS SECTION 3 OF 3 HONG KONG 2375

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9. FOLLOWING ARE MAJOR END USERS ADDR SACQ#TGJOSE SCDNTIFIED#  
"LIST SOURCE" ARE SOURCES OF LISTS FOR MAILINGS OR PERSONAL  
CONTACTS.)

A. ASSOCIATIONS:

HONG KONG ANTI-CANCER SOCIETY (LIST SOURCE)  
BRICK HILL, ABERDEEN  
HONG KONG

HONG KONG EYE BANK AND RESEARCH FOUNDATION  
GLOUCESTER BUILDING  
HONG KONG

HONG KONG MEDICAL ASSOCIATION (LIST SOURCE)  
WYNDHAM MANSION, WYNDHAM ST.  
HONG KONG

HONG KONG ANTI-TUBERCULOSIS AND  
THORACIC DISEASES ASSOCIATION (LIST SOURCE)

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HEADQUARTERS  
QUEEN'S RD. EAST  
HONG KONG

HONG KONG RED CROSS  
HARCOURT ROAD  
HONG KONG

B. GOVERNMENT DEPARTMENT:

MEDICAL AND HEALTH DEPARTMENT  
LEE GARDENS  
HYSAN AVE., CAUSEWAY BAY  
HONG KONG

C. LIST OF HOSPITALS AND AGENTS/DISTRIBUTORS FOLLOWS  
VIA AIR POUCH.

10. UNLIKELY THAT ANY HKG MEDICAL OFFICIALS WOULD ATTEND  
BANGKOK SHOW. SUCH TRIPS MUST BE FUNDED IN HKG FY 1976 BUDGET  
AND ZX##  
O NGBEUIPD TUVIU ON AT THIS MOMZF#. DUE TO SEVERE

BUDGET STRINGENCIES, FUNDING NOT LIKELY. AGENTS AND PRIVATE PRACTITIONERS MIGHT ATTEND IF STRONG SERIES OF PROFESSIONAL AND TECHNICAL SEMINARS INCLUDED IN EXHIBITION PROGRAM OR IF SHOW HELD IN CONJUNCTION WITH MEDICAL CONVENTION. THERE WAS, ACCORDING TO ONE AGENT, FAIR LEVEL OF HONG KONG ATTENDANCE AT BANGKOK MEDICAL CONVENTION IN 1973 AT WHICH HE DISPLAYED MEDICAL APPARATUS.

11. GIVEN GOOD LONG TERM PROSPECTS FOR SUBJECT EQUIPMENT AND POOR PROSPECTS FOR LOCAL ATTENDANCE AT BANGKOK SHOW, WE BELIEVE BETTER COURSE OF ACTION FOR HONG KONG MARKET WOULD BE TO HAVE TECHNICAL SALES SEMINAR OR CATALOG SHOW IN HONG KONG. WE WILL AMEND FY77 CCP TO REFLECT THIS.

CROSS

NOTE BY OC/T: HONG KONG 2375 SEC 3 OF 3 PARAS 9&10 (##) AS RECEIVED. CORRECTION TO FOLLOW.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION COME  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 7  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE A-385  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30 MAY 2003 by BalzMJ>; APPROVED <25 FEB 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MARKET BRIEF: SUPPLEMENTAL DATA ON HEALTH CARE EQUIPMENT AND APPARATUS  
**TAGS:** BEXP, HK  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006